

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF NEW YORK**

SOUTHWESTERN PAYROLL SERVICE, INC. and
GRANITE SOLUTIONS GROUPE, INC.,

Plaintiffs,

v.

PIONEER BANCORP INC., et. al.,

Defendants.

NATIONAL PAYMENT CORPORATION,

Intervenor-Plaintiff,

v.

PIONEER BANCORP INC., et al.

Defendants.

Case No. 1:19-cv-1349 (FJS/CFH)

**DECLARATION OF DARIN ALRED IN SUPPORT OF SOUTHWESTERN PAYROLL
SERVICE, INC.'S MOTION FOR SUMMARY JUDGMENT**

I, J. Darin Alred, make the following declaration pursuant to 28 U.S.C. § 1746:

1. I am President of Southwestern Payroll Service, Inc. ("Southwestern Payroll"), the Plaintiff in this action.

2. Southwestern Payroll is an Oklahoma Corporation with its principal place of business in Tulsa, Oklahoma. Southwestern Payroll is subject to Court supervision in Tulsa County, Oklahoma, and is currently under receivership by C. David Rhoades, Receiver.

3. On April 17, 2017, Cloud Payroll purchased a majority interest in the outstanding shares of stock of Southwestern Payroll.

4. Southwestern Payroll is a payroll service bureau incorporated under the laws of the State of Oklahoma since 1986, first incorporated under the name "Southwestern Computing Service, Inc." At all times of its operation, Southwestern Payroll has processed payroll and serviced its employer-clients out of its offices in Tulsa, Oklahoma.

5. I do not believe that Southwestern Payroll is a “third party payment processor,” as that term is defined on Pioneer Bank’s Customer Due Diligence Information Sheet.

6. I do not believe that Southwest Payroll is a money transmitter, as that term is defined on Pioneer Bank’s Customer Due Diligence Information Sheet.

7. Southwestern Payroll does not provide check cashing, currency exchange, or money transmitting or remittance services to its employer-clients.

8. Southwestern Payroll does not redeem money orders, travelers’ checks, or other similar instruments for customers.

9. When Cloud Payroll paid for its purchase of a majority interest in Southwestern Payroll, I believe the payments were made by ACH.

10. I did not pay any attention to which account these payment funds were coming from.

11. Even if I would have paid attention to the account number where the funds were coming from, the account number would have meant nothing to me.

12. I did not have access to any account at Pioneer, and I had no idea what Mann was doing in his accounts at Pioneer prior to this lawsuit.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 6/3/2024



J. Darin Alred